



**SENATE AMENDMENT 3,
TO 1995 SENATE BILL 580**

March 27, 1996 – Offered by Senator DARLING.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 6, line 7: on page 1, line 8, of the material inserted by senate
3 amendment 1, after “franchisor” insert: “, subject to the division’s authority to
4 suspend or revoke a registration for any of the causes under s. 553.28”.

5 **2.** Page 6, line 24: delete lines 24 and 25 and substitute:

6 “**SECTION 29t.** 553.27 (2) of the statutes, as affected by 1995 Wisconsin Act 27,
7 is amended to read:

8 553.27 (2) If the division finds that the applicant has failed to demonstrate that
9 adequate financial arrangements have been made to fulfill obligations to provide
10 real estate, improvements, equipment, inventory, training or other items included
11 in the offering and if the franchisee so requests, the division may by rule or order
12 require the escrow of franchise fees and other funds paid by the franchisee or
13 subfranchisor until no later than the time of opening of the franchise business, or,
14 at the option of the franchisor, the furnishing of a surety bond as provided by rule of
15 the division, if the division finds that such requirement is necessary and appropriate
16 to protect prospective franchisees or subfranchisors.

